



AGREEMENT ON THE IMPROVEMENT OF FIGEAC AÉRO'S FINANCIAL STRUCTURE

- Consolidation of FIGEAC AÉRO's equity through the strengthening of Tikehau Ace Capital's investment. The reserved share capital increase to which Tikehau Ace Capital has committed to subscribe, initially for an amount of €35 million, is increased to a maximum amount of €58.5 million;
- Agreement with FIGEAC AÉRO's banking partners on a rescheduling of existing financings until 2028 and the obtaining of new PGEs (state-guaranteed loans) amounting to €66 million, and new asset-based financings for €32 million, to strengthen the Group's cash position;
- Partial buy-back of the ORNANES 2022 for €20 million of nominal value and proposal of modification of the terms of the ORNANES 2022, including (i) an extension of the maturity of the ORNANES 2022 to October 2028, (ii) an increase in the conversion ratio from 1:1 to 1:3.4, and (iii) an increase of the coupon to 1.750%. This proposal is supported by a group of bondholders representing more than half of the outstanding amount;
- Strengthening of the Board of Directors reflecting the Group's new shareholding structure.

The FIGEAC AÉRO Group (ticker: FGA) (the "Company"), a leading partner for the major aerospace manufacturers, announces that it has reached an agreement with all its financial partners, to carry out a set of inseparable transactions leading to the financial restructuring of the Group, within the framework of an ad hoc mandate and under the auspices of the CIRI.

In light of the half-year results published on December 28, 2021, the FIGEAC AÉRO Group demonstrates its rebound ability with results that have improved significantly. The Group's level of activity in the first half of 2021/22 (up +30% like-for-like¹) confirms the recovery of the aerospace sector which is evidenced by an increase in aircraft deliveries, new airlines orders and the resumption of air traffic.

In addition, all the strong cost reduction measures undertaken by the Company as part of its plan of operational optimization and securing of long-term financial resources are bearing their first results and allow the Group to see the end of turbulences. Indeed, revenue is up and the operating margin² stands at 9.7%, a sequential improvement for two consecutive semesters and close to the double-digit objective targeted at the end of the 2021/22 financial year (as at March 31, 2022). Cash-flows from operations are close to break-even and are expected to be positive at the end of the current fiscal year, in line with the Company's objectives.

¹ At constant scope and exchange rates

² Current EBITDA (Current operating income + depreciation and amortisation + net provisions – Before the breakdown of R&D expenses capitalised by the Group by type) / revenue

The 2021/22 outlook is confirmed and the outlook of the Route 2025 plan is specified, based on the latest announcements of increased production rates by manufacturers.

In addition, the FIGEAC AÉRO Group is not directly exposed to Ukraine and Russia and does not face, to date, any disruption in its supplies on all its industrial sites. Nevertheless, the ongoing conflict and the associated geopolitical tensions could have an impact on the global economy and could therefore weigh on the Group's performance in the long-term.

Jean-Claude Maillard, CEO of FIGEAC AÉRO, said: *"This global agreement marks a new step in the Group's development which strengthens its equity, adjusts the rhythm of its debt repayment to a level in line with the implementation of the Route 25 strategic plan and consolidates its cash position. With a new reference shareholder and financially strengthened, FIGEAC AÉRO secures its industrial future. I would like to thank all the creditors and stakeholders who allow us to breathe new life into the Group and to pursue with ambition its value-creating development."*

Modification of the terms of Tikehau Ace Capital's entry into the Company's share capital

Confident in the future of the Group as a key and recognized supplier of the global aerospace supply chain, Tikehau Ace Capital wishes to support the development of FIGEAC AÉRO in this new phase of growth. Thus, on [September 9, 2021](#), the Company announced the signing of a binding agreement with Tikehau Ace Capital, with a view to acquiring a minority stake in the Group's share capital.

Discussions with Tikehau Ace Capital led to the signing on 4 April 2022 of an amendment to the agreement announced on September 9, 2021 to strengthen FIGEAC AÉRO's equity and diversify its shareholding structure by relying on Tikehau Ace Capital, a specialist in the aerospace sector, over the long term. Under the terms of this amendment agreement, Tikehau Ace Capital significantly increases its investment in the Company's share capital and undertakes to subscribe to a reserved share capital increase of up to €58.5 million (including issuance premium). The amount initially planned was €35 million. The issuance price of the new shares remains at €5.60 per share.

Tikehau Ace Capital thus undertakes to subscribe to a maximum number of 10,446,428 new shares in the framework of a share capital increase of the Company reserved to it.

Mr. Maillard, the majority shareholder of the Company, has given up the sale of most of the FIGEAC AÉRO shares that he was supposed to sell to Tikehau Ace Capital at the same price of €5.60, so that the Company may benefit from the full effect of Tikehau Ace Capital's investment. The sale of FIGEAC AÉRO shares from Mr. Maillard to Tikehau Ace Capital would now cover 803,572 FIGEAC AÉRO shares at the same price of €5.60 (compared to 3,750,000 FIGEAC AÉRO shares as initially planned).

Shareholders	Before the entry of Tikehau Ace Capital into the share capital				After the entry of Tikehau Ace Capital into the share capital			
	Share capital	Share capital (%)	Voting rights	Voting rights (%)	Share capital	Share capital (%)	Voting rights	Voting rights (%)
SC MAILLARD ET FILS	12,496,000	39.25%	24,992,000	45.04%	12,496,000	29.55%	24,992,000	38.37%
J.C. MAILLARD	11,498,492	36.11%	22,895,154	41.26%	10,694,920	25.29%	21,288,010	32.68%
Subtotal Maillard Family	23,994,492	75.36%	47,887,154	86.30%	23,190,920	54.84%	46,280,010	71.06%
Tikehau Ace Capital					11,250,000	26.61%	11,250,000	17.27%
Concert to be formed between the Maillard Family and Tikehau Ace Capital					34,440,920	81.45%	57,530,010	88.33%
Employees	71,435	0.22%	142,630	0.26%	71,435	0.17%	142,630	0.22%

Other registered form shares	154,541	0.49%	283,704	0.51%	154,541	0.37%	283,704	0.44%
Treasury shares	443,997	1.39%	0	0.00%	443,997	1.05%	0	0.00%
Free float	7,175,008	22.53%	7,175,008	12.93%	7,175,008	16.97%	7,175,008	11.02%
Total	31,839,473	100.00%	55,488,496	100.00%	42,285,901	100.00%	65,131,352	100.00%

The Company nevertheless allows itself the possibility of limiting the amount of the share capital increase reserved to Tikehau Ace Capital to a minimum amount of €53.5 million (including issuance premium), in the event of an improvement in the Group's cash position as part of its strategy to rationalize its industrial operations.

In such a case, Tikehau Ace Capital would subscribe to a number of 9,553,571 new shares as part of the Company's share capital increase reserved to it. The sale of FIGEAC AÉRO shares from Mr. Maillard to Tikehau Ace Capital would in such a case involve 1,696,429 FIGEAC AÉRO shares³. The issuance price of the new shares and the sale price of the FIGEAC AÉRO shares would remain at €5.60 per share in such a case.

The completion of the share capital increase reserved to Tikehau Ace Capital remains subject in particular to (i) the approval by the French market authority (*Autorité des marchés financiers*) of a prospectus relating to the admission of the new shares to be issued to Tikehau Ace Capital, as they will represent more than 20% of the number of existing FIGEAC AÉRO shares, (ii) a decision by the French market authority (*Autorité des marchés financiers*) that there is no reason to file a mandatory tender offer on FIGEAC AÉRO's shares as a result of Tikehau Ace Capital's concert with Mr. Maillard and the company SC Maillard et Fils, the latter remaining predominant in the new concert thus constituted, and (iii) the vote of the Company's shareholders, gathered at a general meeting to be held no later than May 31, 2022. Mr. Maillard and SC Maillard & Fils have already committed to vote in favour of this share capital increase.

As announced in the Company's press release of September 9, 2021, in addition to its capital investment, Tikehau Ace Capital has committed to subscribe to bonds to be issued by the Company for an amount of €10 million. These bonds will bear interest at the annual rate of 12% capitalized annually and will have a maturity of 6 years and 6 months.

The completion of the share capital increase reserved to Tikehau Ace Capital would be accompanied by a change in the composition of the Company's Board of Directors (in line with the recommendations of the Middennext Code) which would allow it to acquire additional and independent skills and to take into account the Group's new shareholding structure, namely (i) 4 directors appointed upon proposal of Mr. Maillard, (ii) 2 directors appointed upon proposal of Tikehau Ace Capital and (iii) 2 independent directors. Mr. Maillard would remain Chairman and Chief Executive Officer of the Company.

All of Tikehau Ace Capital's investment transactions within the Company and the implementation of the rescheduling of the Company's main bank financings and the realignment of the terms of the ORNANES 2022 (as detailed below) are interdependent.

Agreement with banking partners on a rescheduling of financings until 2028

As mentioned above, the Company has carried out in parallel a work of adaptation of its balance sheet structure which has led it to engage in discussions in a structured framework with its financial

³ Due to the dilution induced by this reserved share capital increase of €53.5 million (including issuance premium), Tikehau Ace Capital would hold 27.18% of the share capital and 17.76% of the voting rights of the Company at the end of these transactions.

creditors. The main objective was to define a new profile of the Company's indebtedness, taking into account the consequences of the pandemic on its business, to set up new financings and to introduce new currency hedging transactions allowing it to meet its upcoming deadlines and rebalance its financial structure.

These discussions led to an agreement on a new repayment profile for bank loans (and ORNANEs 2022) and on the future implementation of new financings, both of which are adapted to the rhythm of gradual and foreseeable recovery of the activity.

The main features of these agreements are the following:

- 1) A reprofiling of bank debt:
 - a. The maturity of all bank loans with earlier deadline is postponed to September 2028. The amortization curve of these loans has been modified to take into account this new maturity, and the particular nature of the concerned financings. The interest rate of these loans, with the exception of PGEs (state-guaranteed loans), is increased by 62.5 bps.
 - b. Bank loans with a longer maturity, such as mortgages, keep their initial maturity. Their amortization curve has not been changed.
- 2) New financings and a strengthening of currency hedging:
 - a. An envelope of €66 million under the "Aéro" PGEs is open. The maturity of these PGEs is 6 years, and their amortization is established over 4 years, after 2 years free of amortization. Their interest rate complies with the regulations in force.
 - b. Asset-based financings: a line of financing on stocks, for an amount of € 20 million (over a period of 8 years and depreciable from the 5th year, rate of 6.75%) and a financing line of industrial equipment, for an amount of €12 million (depreciable over 5.5 years, rate of 5.2%), were granted.
 - c. Currency hedging transactions: in order to hedge the current exchange risk on the US dollar, the main currency unit used for sale by FIGEAC AÉRO, currency hedging transactions may be set up, for a cumulative amount of €227 million by March 2025.

These agreements and new financings, combined with the strengthening of FIGEAC AÉRO's equity resulting from the entry of Tikehau Ace Capital into the Company's share capital and the agreement reached with a majority of holders of ORNANEs 2022 (see below), would ensure that the Group has the financial means necessary for its redeployment and would allow it to meet its financial commitments thus modified in the short and medium term.

Adjustment of the terms of the ORNANEs 2022

Reminder of the main terms of the ORNANEs 2022

In October 2017, FIGEAC AÉRO issued 3,888,025 ORNANEs 2022 maturing on 18 October 2022, by way of placement to institutional investors for a nominal amount of €100 million.

The ORNANEs 2022 were issued at a nominal value of €25.72 each on the basis of an issuance premium of 30% and bear interest at an annual rate of 1.125% payable semi-annually in arrears due on April 18 and October 18 of each year.

The ORNANEs 2022 give the right to the allocation of shares, either up to an amount in cash, or by a combination of cash and new and/or existing shares, or by exclusive allocation of new and/or existing shares, under a conversion ratio of one (1) share for one (1) ORNANE 2022.

The ORNANEs 2022 are admitted to trading on the open market of the Frankfurt Stock Exchange (Freiverkehr) (ISIN: FR0013286028).

3,433,715 ORNANES 2022 are outstanding to date for a nominal amount of €88,315,149. Any reference to the ORNANES 2022 must be understood as a reference to the ORNANES 2022 outstanding.

In order to better understand the expectations of ORNANES holders and build a relevant proposal for modification of the terms, discussions with some ORNANES holders representing, together, a large majority of the total nominal amount have been initiated⁴. An agreement between the Company and a group of holders of ORNANES concerning the modifications of the terms of the ORNANES 2022 was obtained on 4 April 2022. In the framework of this agreement, these holders committed (i) to keep their ORNANES 2022 until the date of the general meeting of the holders of ORNANES⁵ and (ii) to vote in favour of the modifications of the terms of the ORNANES 2022 which will be put to the vote of the general meeting of the holders of ORNANES.

Proposal to modify the terms and conditions of the ORNANES 2022

The Company will propose to the holders of ORNANES 2022, in general meeting, to adjust the terms of the ORNANES 2022 as follows:

1) Partial buy-back of ORNANES 2022

The Company proposes a buy-back of ORNANES 2022 at a price of €23.92⁶ by ORNANE 2022 (i.e. 93% of their nominal value). The repurchased ORNANES 2022 will then be cancelled. The Company will allocate a cash envelope of €18.6 million to this purpose. To date, the Company has already obtained the commitment of holders of ORNANES to have ORNANES 2022 representing a total nominal amount of €20 million (i.e. the entire cash envelope of €18.6 million allocated to these buy-backs) sold in this framework. In the event that the buy-back requests made by the holders exceed the amount of the €18.6 million envelope allocated by the Company, and in order to respect the equal treatment of all holders, all requests received will be reduced in proportion to this amount.

All ORNANES 2022 will be purchased by the Company at the same price.

2) Modification of the terms of the balance (post buy-back) of the ORNANES 2022

The Company will propose to adjust the terms of the ORNANES 2022 as follows:

- A postponement of the maturity for an additional period of 6 years (i.e. to October 18, 2028);
- An increase in the coupon by 62.5 bps. The new coupon would thus be 1.75% payable semi-annually, it being specified that a reversible mechanism for adjusting the coupon from 18 October 2024 is integrated depending on whether or not a debt leverage greater than 4.5x is reached (test carried out all semesters), which can then increase the coupon to 2.25%;
- An increase of the conversion ratio of the ORNANES 2022 to the rate of 3.4 shares per ORNANE 2022;
- A "reset" clause applicable from October 18, 2024 likely to raise the conversion ratio by a maximum amplitude of 20% in the event that the volume-weighted average price of the share during the 3 months preceding October 18, 2024 is lower than the reference price calculated on the basis of the volume-weighted average share price for 1 month prior to February 18, 2022 (inclusive) (i.e. €6.60);

⁴ Significant information disclosed to holders of ORNANES in the framework of these discussions have been made available today on the Company's website (www.figeac-aero.com – Investors' Area section) for the purpose of restoring equal access to information for the Company's shareholders.

⁵ With the exception of the ORNANES 2022 targeted by the partial buy-back, which will remain subject to the lock-up commitment granted by these holders of ORNANES 2022 until the actual completion of the partial buy-back by the Company.

⁶ This price includes the accrued coupon.

- The opening of the Company's early redemption period if the share price is greater than 130% of the conversion price (*soft call*), as of October 18, 2025;
- The acknowledgement of the extension of the maturity on the adjustment clause of the conversion ratio in the event of a change of control;
- The limitation of the global amount of debt secured by assets;
- The possibility of eventually transferring the listing of FIGEAC AÉRO shares to Euronext Growth Paris;

(together, the "ORNANEs Adjustments").

In case of implementation of the ORNANEs Adjustments, the nominal value and the repayment price of the ORNANEs 2022 would remain unchanged at €25.72 per ORNANE 2022.

Taking into account the proposed new conversion ratio, the implicit conversion price (nominal value of €25.72 divided by the conversion ratio of 1:3.4) would be €7.56 per share representing a premium of 14.55% compared to the volume-weighted average price for the month preceding February 18, 2022 (inclusive) (i.e. €6.60, this share price being considered as the reference price for the purpose of the "reset" clause mentioned above).

Taking into account this new conversion ratio of 1:3.4, the conversion of the balance of the 2022 ORNANEs (after completion of the partial buy-back described above) would result in the issuance of 9,030,774 new shares, representing, after completion of the partial buy-back described above and after the share capital increase reserved to Tikehau Ace Capital (which will amount between €53.5 million and €58.5 million (including issuance premium)⁷), between 17.60% and 17.91% of the Company's share capital depending on the amount of the share capital increase reserved to Tikehau Ace Capital (it being reminded that the entry into effect of the ORNANEs Adjustments would in any event be conditional upon the completion of such reserved share capital increase).

The ORNANEs Adjustments would be submitted to the approval of the holders of ORNANEs in a single resolution.

The other terms and conditions of the ORNANEs 2022 not mentioned above would remain unchanged.

Implementation

In addition to the holders of ORNANEs 2022 who have already committed to sell their ORNANEs 2022 to the Company, holders of ORNANEs 2022 who would be interested in the partial buy-back proposal are invited to contact the Company or CIC Market Solutions, until the date of the general meeting of the holders of ORNANEs at the latest, at the following address: liabilitymanagement@cic.fr.

The Company and the interested holders of ORNANEs 2022 may then contractually undertake to buy-back the ORNANEs 2022, subject to the proportional reduction rules referred to above in the event that the buy-back requests made by the holders exceed the amount of the €18.6 million envelope allocated by the Company.

The entry into effect of the ORNANEs Adjustments and the actual completion of the partial buy-back of the ORNANEs 2022 will be conditional upon (i) the agreement of the shareholders at the general meeting, (ii) the finalization of the documentation relating to the agreement with the banking partners, and (iii) the completion of the share capital increase of Tikehau Ace Capital for an amount

⁷ See section "Modification of the terms of Tikehau Ace Capital's entry into the Company's share capital" of this press release.

between €53.5 million and €58.5 million (including issuance premium) (see section "Modification of the terms of Tikehau Ace Capital's entry into the Company's share capital" of this press release).

More details on the convening of the holders of ORNANEs 2022 and the shareholders will be available at a later stage on the Company's website and will be the subject of a dedicated communication.

Indicative timetable

Expected date	Steps of the Company's financial restructuring
April 5, 2022 (before market opening)	Press release announcing the terms of the Company's financial restructuring
April 11, 2022	<ul style="list-style-type: none"> • Publication in the <i>Bulletin des Annonces Légales Obligatoires</i> of the convening notice of the meeting of holders of ORNANEs • Opening of the buy-back period of ORNANEs and release of the related Euroclear notice
April 15, 2022	Publication in the <i>Bulletin des Annonces Légales Obligatoires</i> of the meeting notice (which may also be used as the convening notice) of the general meeting of shareholders
April 26, 2022	<ul style="list-style-type: none"> • General meeting of holders of ORNANEs on first convening • Closing of the period of partial buy-back of ORNANEs • Press release announcing the results of the general meeting of holders of ORNANEs on first convening
May 4, 2022 (at the latest)	Signing of all the documentation relating to the agreement with the banking partners
Between April 26, 2022 and May 10, 2022	<ul style="list-style-type: none"> • Meeting of the <i>Collège</i> of the French market authority (<i>Autorité des marchés financiers</i>) in order to decide that there is no reason to file a mandatory tender offer • Approval by the French market authority (<i>Autorité des marchés financiers</i>) of the Prospectus including the conclusions of the independent expert on the fairness of the price of the share capital increase reserved to Tikehau Ace Capital
May 20, 2022	<ul style="list-style-type: none"> • General meeting of shareholders on first convening • Press release announcing the results of the general meeting of shareholders
As soon as possible after the general meeting of shareholders, once the final conditions precedent have been met, and no later than May 31, 2022	<ul style="list-style-type: none"> • Completion of the restructuring of the bank debt, the share capital increase reserved to Tikehau Ace Capital, the partial buy-back of ORNANEs and the actual modification of the terms of the ORNANEs • Signature of the shareholders' agreement • Press release announcing the completion of the restructuring of the bank debt, the completion of the share capital increase reserved to Tikehau Ace Capital, the signing of the shareholders' agreement, the actual modification of the terms of the ORNANEs, the completion of the partial buy-back of ORNANEs and the number of ORNANEs outstanding

Financial outlook following the Group's financial restructuring

Building on the quality of the results published for the first half of 2021/22 and the gradual recovery of air traffic, the Group specifies its short-term objectives (see press release of December 28, 2021) and presents its objectives related to the Route 2025 strategic plan:

	Financial year 2021/22	Financial year 2024/25
Revenue	Between €265 million and €280 million	Between €400 million and €430 million
Current EBITDA ⁸	Between €28 million and €33 million	Between €67 million and €73 million
CAPEX % of revenue	Between €22 million and €24 million (between 8% and 9%)	Between €27 million and €30 million (between 6% and 7%)
Free Cash-Flows ⁹	Between €4 million and €7 million	Between €20 million and €28 million
Net financial debt ¹⁰	Between €345 million and €350 million	Between €280 million and €300 million
Ratio: net financial debt / EBITDA	10.5 < R < 12	3.8 < R < 4.4
€/USD exchange rate	1.16	1.16

The 2024/25 forecasts have been drawn up excluding any new major impact of the Covid-19 pandemic and the geopolitical context associated with the Russian-Ukrainian conflict.

The completion of the transactions planned as part of the Group's financial restructuring, accompanied by the long-term effects of the restructuring plan, will create the conditions for FIGEAC AÉRO to have strengthened financial resources and a balance sheet structure compatible with the gradual resumption of its activity.

With its global industrial footprint and limited needs in terms of growth investments by 2025, the Group will secure its cash flows from operation and will be able to focus on pursuing its ultimate goal: to become No. 1 in the world in the subcontracting of metal aerospace parts.

Risk factors

The Company draws the public's attention to the risk factors relating to the Company and to its business activity, as described in its annual financial report as at March 31, 2021 available on the Company's website (www.figeac-aero.com - Investors Area section). In addition, investors are asked to take the following risks into consideration: (i) the transactions described above may not be completed if any of the conditions precedent provided for in the agreements are not met, (ii) the Company's share price may fluctuate and move below the subscription price of the shares issued as part of the share issuance, (iii) the volatility and liquidity of the Company's shares may fluctuate significantly, (iv) Company's shares may be sold on the market, which would have an adverse impact on the Company's share price, and (v) the Company's shareholders may potentially find their stakes

⁸ Profit from recurring operations + depreciation and amortization + net provisions - Before breakdown of R&D expenses capitalized by the Group by nature

⁹ Before financing transactions

¹⁰ Excluding non-interest-bearing financial liabilities

significantly diluted as a result of any future capital increases that might become necessary if the Company needs to raise more funds.

ABOUT FIGEAC AÉRO

The FIGEAC AÉRO Group, a leading partner of major aerospace manufacturers, specialises in producing light alloy and hard metal structural parts, engine parts, landing gear and sub-assemblies. FIGEAC AÉRO is a global group operating in France, the USA, Morocco, Mexico, Romania and Tunisia. The Group generated annual revenue of €204.6 million in the year to 31st March 2021.

FIGEAC AÉRO

Jean-Claude Maillard - Chairman and Chief Executive Officer
Tel.: +33 (0)5 65 34 52 52

Camille Traineau

Corporate Development Director Institutional Relations / IR
Tel.: +33 (0)5 81 24 61 90 / camille.traineau@figeac-aero.com

ACTUS Finance & Communication

Corinne Puissant - Analyst/Investor Relations
Tel.: +33 (0)1 53 67 36 77 / cpuissant@actus.fr

Manon Clairet - Press Relations

Tel.: +33 (0)1 53 67 36 77 / mclairret@actus.fr

DISCLAIMER

This press release contains forward-looking statements about FIGEAC AÉRO and in particular forward-looking statements relating to FIGEAC AÉRO's ability to implement its operational optimization plan and the impact of this plan on FIGEAC AÉRO's ability to limit the impact of the significant decline in activity related to the Covid-19 crisis on the Group's profitability. The use of certain words, such as "believe", "potential", "hope", "should", "objective" and other similar expressions or expressions, is intended to identify these forward-looking statements. Although the Company believes that its projections are based on current reasonable assumptions and expectations of its management, these forward-looking statements may be affected by a number of known or unknown hazards and uncertainties, which could result in results materially different from those described, induced or anticipated, expressly or implicitly, in such forward-looking statements. These hazards and uncertainties include, in particular, aircraft production rates emanating from manufacturers. In addition, while the Company's results, performance, financial condition and liquidity and the development of the industry in which it operates are consistent with such forward-looking statements, they are not predictive of future results or developments. These forward-looking statements speak only as of the date this document is made. Subject to applicable regulations, the Company makes no commitment to update or revise the information contained in this press release, whether as a result of new information, future events or otherwise. Forward-looking statements and statements are not guarantees of future performance and are subject to various risks and uncertainties, many of which are difficult to predict and are generally beyond the control of FIGEAC AÉRO.